



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : VG/LON/OOBJ/OAF/2016/0005

Property : 207 St Ann's Hill, London SW18
2RX

Applicants : Ruth Mario Fripp (1) Edward Peter
Douglas Harrison (2) Christopher
John Breeze (3) and Jessica Dring
(4)

Representative : Collis and Co.

Respondent : Alibhai Hasham Mawani also
known as Alli Hassam Hirsi
Mawani

Representative : None

Type of Application : Missing landlord
S26 of the Leasehold Reform,
Housing and Urban Development
Act 1993

Tribunal Members : Evelyn Flint DMS FRICS

**Date and venue of
Hearing** : 30 March 2016
10 Alfred Place, London WC1E 7LR

Date of Decision : 30 March 2016

DECISION

Decision

1. The premium payable for the freehold interest is £3,225 (three thousand two hundred and twenty five pounds).

Background

2. On 12 October 2015 the Applicants made an application to the Wandsworth County Court under Chapter I of Part I of the Leasehold Reform Housing and Urban Development Act 1993 (“the Act”) seeking a vesting order under Section 50 of the Act providing for the transfer of the freehold interest in the property to the Nominee Purchaser as if a valid notice under section 13 of the Act had been served on the Defendant.
3. Deputy District Judge McConnell sitting at Wandsworth County Court made a vesting order, dated 8 February 2016, in the terms requested (Claim No.Bo1WT226). The matter was transferred by the Order on 15 February 2016 to the Tribunal to determine the appropriate sum payable for the transfer.
4. The Tribunal issued Directions on 18 February 2016 providing for the case to be determined on the basis of documents alone and without an oral hearing.
5. The first applicant holds a lease of the upper ground floor flat dated 11 February 1983 made between (1) the Defendant and (2) Michael Scholefield for a term of 999 years from 24 June 1981 at a rent of £75 per annum. The second applicant holds a lease of the garden flat dated 14 September 1982 made between (1) the Defendant and (2) Doreen May Dowden for a term of 999 years from 24th June 1981 at £75 per annum. The third and fourth applicants hold a lease of the first and second floor flat dated 28 August 1981 and made between (1) the Defendant and (2) Susan Mildmay Mitford for a term of 999 years from 24 June 1981 at £75 per annum.

Expert Evidence

6. The Tribunal considered an expert report dated 29 May 2013 of Andrew Pridell FRICS of Andrew Pridell Associates Ltd. The property is a four storey terraced house converted into two flats and a maisonette. The building is of traditional design and well located for access to most local facilities including shops, schools and bus routes.
7. The unexpired terms at the date of the notice are 964 years.
8. The report referred to a first and second flat under offer, at the date of the report, for £407,000.
9. Based on this evidence and his own knowledge Mr Pridell valued the long improved leasehold interests as follows:

- | | |
|-----------------------------|----------|
| 10. Garden flat | £285,000 |
| Upper ground floor flat | £260,000 |
| First and Second floor flat | £407,000 |
11. The capitalisation rate used was 7% which was stated to reflect the continuing low level of interest rates and that the ground rents are fixed for the remainder of the term. No evidence of any settlements was produced. The deferment rate adopted was 5% in line with the decision of the Lands Tribunal in Earl Cadogan and Cadogan Estates Ltd and others v Sportelli.
 12. The sum of £125 has been apportioned to the appurtenant property of the front and rear garden areas.
 13. Marriage value was ignored in accordance with the provisions of the Commonhold and Leasehold Reform Act 2002 since the unexpired term exceeds 80 years.
 14. A valuation was attached to the report indicating a value for the freehold of £3,225 including £125 for the value of the garden.

Decision

14. The Tribunal noted that the application was made under section 50 of the Act but assumed that the lessees wished to acquire the freehold rather than extend their already very long unexpired terms. The Tribunal therefore proceeded as if the application had been made under section 26 of the Act.
15. **Valuation date.** The valuation date in the report was a current one, some two years before the actual valuation date in this case. However as the unexpired term is so long the difference in time is immaterial to the valuation.
16. **Capitalisation Rate.** The Tribunal agrees that 7% is the appropriate capitalisation rate for the ground rents.
17. **Enfranchisement Price.** The Tribunal determines the premium at £3,225 the valuation is attached to this decision.

Evelyn Flint
Chairman

30 March 2016

ANNEX 1 - RIGHTS OF APPEAL

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.

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Valuation date 12 October 2015

Leases 999 years from 24 June 1981 at £75 pa for each flat

Capitalisation rate 7%

Freeholder's interest

Ground rent

225

YP perpetuity at 7%

14.2857

£3,214

Premium payable

£3,225